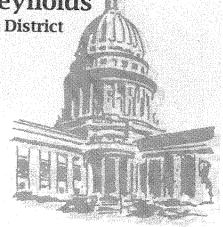
State Senator Tom Reynolds
5th Senate District



# **SB 352**

To: Members, Senate Committee

From: Senator Tom Reynolds

Date: January 29, 2004

Re: Testimony on 2003 Senate Bill 352

Mr. Chairman and members, thank you for taking the time to hold this public hearing on Senate Bill 352.

At its core, this legislation is about bringing accountability and fairness to the Metropolitan Milwaukee Sewerage District. Currently, the district is governed by an eleven member board. Of those eleven members, seven are appointed directly by the Mayor of Milwaukee. The remaining members are appointed by a coalition of elected officials from the other communities served by the MMSD – called the Intergovernmental Cooperation Council. The influence of the outlying communities is watered down in this way, with more than a dozen communities jointly selecting just four appointees to represent their interests. The result has been a sewerage district rife with political favoritism and allegations of mismanagement. A district shot through with appalling levels of waste, undertaking multi-billion dollar public works projects that do not function as promised. A district whose costs increasingly fall upon the shoulders of the underrepresented suburbs. And worst of all, a district that is arguably the single biggest polluter of the environment in southeastern Wisconsin – having dumped more than 13 billion gallons of untreated and partially-treated sewage into Wisconsin's waterways since 1994.

I have directed my staff to distribute various articles from the <u>Milwaukee Journal Sentinel</u> to you. To its credit, the <u>Journal Sentinel</u> has done an extraordinary job over time of covering the misadventures of the MMSD. But let me share with you some of the most important points of the articles:

### Under the current management scheme, the MMSD has:

- Spent nearly \$3 billion on the Deep Tunnel Project, with the promise that sewer overflows would be dramatically reduced. This has not happened, according to a 2002 audit by the nonpartisan Legislative Audit Bureau.
- Dumped nearly 13.6 billion gallons of completely untreated sewage into the waterways immediately surrounding Milwaukee, most of it since the completion of the Deep Tunnel project.
- Failed to filter out hundreds of spent condoms before treated wastewater was discharged into Lake Michigan, resulting in what was described by a local fisherman as a "condom slick" in the lake.
- Dumped tens of millions of gallons of so-called "blended" (minimally treated) sewage into Lake
   Michigan on several occasions while the Deep Tunnel was largely empty.
- Operated as a direct policy instrument of the Mayor of Milwaukee. The Milwaukee Journal
  Sentinel, in an article dated December 7, 2003 and entitled "Trio Bolsters Mayor's Hold on
  MMSD," describes politically-motivated staff firings, the mayoral spin on the dumping of raw
  sewage, separation of combined sewers in the City of Milwaukee, and even advancement of the
  Mayor's position on freeway demolition.
- Tapped the relative wealth of largely unrepresented suburban parts of the MMSD service area. In September of 2003, the Milwaukee Journal Sentinel concluded that folks in the outlying areas were paying as much as 400 percent more for sewer service than residents of the City of Milwaukee. The MMSD subsequently imposed a 20 percent increase on the assessments against communities such as Brookfield and Elm Grove for sewer service.
- Drawn state and federal investigations, including an examination by Attorney General
   Lautenschlager, and placed their federal permit to continue operations in jeopardy.
- Most recently, come under investigation for ordering an independent contractor employed by the
  District to pay out District funds to a friend of an MMSD official. This was allegedly done under
  threat to the independent contractor of the loss of its contract.

The time has come to reverse this situation, which is frankly a national embarrassment. This legislation accomplishes this by creating an elected 11-member governing board for the MMSD. These members will be elected from electoral districts apportioned on the basis of population, using the same standards used to create state legislative districts. Members will serve two-year staggered terms. As with directly-elected officials at all levels of government, this new mode of governance will bring the sunlight of public involvement and public scrutiny into the closed-door club that currently is the MMSD. Beyond that, it is my sincere hope that this legislation will finally give the property tax payers and sewerage ratepayers in the outlying communities of the MMSD a true voice in the operation of this very expensive and pervasive unit of government.

Again, thank you Mr. Chair and members for hearing this legislation today. I encourage you to recommend it for passage by the full Senate. Are there any questions?

MMSA STRUCTURE

audit

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# Suburbs flush with tax disparities

# Daily toilet tab is a a hefty \$4.33 in River Hills, 96 cents in Milwaukee

By STEVE SCHULTZE and MARIE ROHDE sschultze@journalsentinel.com

Lust Updated: Sept. 26, 2003

Flushing your toilet costs, on average, almost one-third more for Milwaukee suburban dwellers than it does for city residents, primarily a legacy of a system that bases sewer fees on property values.

The disparity in some city-suburban comparisons is even more striking, according to a Journal Sentinel survey. At the extreme, it costs \$4.33 a day to flush in upscale River Hills - nearly \$1.600 a year. Milwaukee homeowners pay an average of 96 cents a day, or \$352 annually.

In Wauwatosa, the daily flush fee comes to \$1.24; for New Berlin residents, it averages \$1.81; in Whitefish Bay, \$1.96; and in Fox Point, doing your daily business costs \$1.98.

The cheapest place in the metro area to dispose of your wastewater is West Milwaukee: Just 71 cents a day.

City industrial sewer rates for the city also remain a bargain - so much so that city and business leaders hope to market Milwaukee as a prime location for wet industries with a high volume of liquid waste.

The sewer fees for suburban residential users are "shocking," according to state Sen. Alberta Darling, not only in her home community of River Hills but also in a wide swath of suburbs ringing the city.

The lengthy city-suburban "sewer wars" ended in 1997 with Milwaukee prevailing: Sewer charges for the Milwaukee Metropolitan Sewerage District would be based on property values, not actual use. In practice, that's meant that the more expensive your home is, the more you pay in sewer property taxes.

It's a system that's very rare nationally.

In a new sewer rate survey commissioned by MMSD, Milwaukee was the only one of 16 comparable cities where a major portion of sewer costs falls on property-tax payers. In a much larger national survey, only 13 cities out of 117 used property taxes to pay for sewers. Most that did levy property taxes for sewers had much smaller rates than Milwaukee's, which now stands at about \$1.70 for every \$1,000 of a home's value.

Although the sewer wars are over, the conflict over sewer costs is not, said Darling, a Republican and vocal critic of MMSD.

"The battle isn't over," Darling said. "The disparity is a huge issue."

She said sewer taxes, along with other property taxes, have become a critical state issue. The high sewer tax paid by many suburban homeowners is helping drive people to lower-cost suburbs or even out of state, she said.

#### Down The Drain

Average cost per day to

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#### Sewer Costs Compared

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Graphic/Journal Sentine
Comparison

An upcoming hearing by the Legislature's Joint Audit Committee on MMSD will likely take up the topic of sewer charges, she said. The committee has agreed to review progress made by MMSD since a July 2002 state audit faulted the district for its dumping of untreated sewage into local waterways.

Darling also said she is continuing to research the issue of changing MMSD's governance to make it more accountable, including reviewing how other metropolitan areas run their sewer utilities. She plans to introduce legislation next spring, after Milwaukee Mayor John O. Norquist leaves office, she said.

Norquist has been a strong advocate of MMSD and, as mayor, appoints a majority of the 11-member Milwaukee Metropolitan Sewerage Commission.

#### No comment from city

Steve Jacquart. Norquist's chief of staff, declined to comment on the newspaper's survey, saying he didn't know its methodology.

"All I can say is that all of the taxpayers are going to benefit from MMSD's no tax increase (for 2004)," Jacquart said. "It shows they are being responsive to ratepayers."

While MMSD has held the tax rate steady for the past several years, that has actually resulted in significant increases in the amount of money property owners had to pay because of annual increases in property values. On average, Milwaukee County property owners paid 6% more on their 2003 bills than they did the year before. The sewerage commission on Monday approved a \$71 million levy for next year for sewer projects, keeping it at the same amount as this year.

The Journal Sentinel compiled area sewer charges by contacting local officials in the 27 communities served by MMSD. Sewer charges, which are an amalgam of several items, differ from community to community.

Figures used in the newspaper's survey included those service charges, as well as the MMSD property tax levy. That levy is billed to homeowners directly in the 18 communities, including Milwaukee, that make up MMSD. In those communities, the property tax figure was based on the average assessed home value in each municipality.

Nine other suburbs outside Milwaukee County that are not part of MMSD pay fees to MMSD for sewage treatment and bill homeowners for that cost in a variety of ways.

MMSD is touting a survey of sewer rates it commissioned with Milwaukee's favorable ranking to help local development officials try to lure food processors or other industrial firms that use great quantities of water.

The local sewer system has excess capacity because of the closing of breweries and tanneries, said Kevin Shafer, MMSD executive director. Attracting more industry would help drive down industrial sewer rates even more for big local sewer customers, he said.

Miller Brewing is by far the largest commercial user of sewers, paying more than \$2 million a year to MMSD to process its wastewater.

"If we can get more industries here that use water, then you can spread that payment out, and it's good for existing industry," Shafer said.

The MMSD survey placed Milwaukee first for having the lowest industrial sewer costs of a group of 16 cities selected by the Metropolitan Milwaukee Association of Commerce as comparable. Milwaukee ranked seventh on industrial sewer rates on a list of 14 cities considered to have relatively low sewer charges.

Milwaukee came in 11th of 16 cities for residential sewer and water rates combined. However, the survey used only Milwaukee's residential sewer charges without accounting for the disparity between city and suburban costs.

The survey, which cost about \$10,000, was done by HNTB, a local engineering firm. The report suggests consideration of new revenue sources to help pay for sewers, including "storm water" fees to pay for flood control costs and development

"impact fees."

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# MMSD charges to rise outside county

#### Communities in Waukesha, Ozaukee counties to see average 20% increase

By STEVE SCHULTZE and MARIE ROHDE sschultze@journalsentinel.com

Last Updated: Nov. 9, 2003

Bills for the Milwaukee sewerage district to communities outside Milwaukee County will rise on average nearly 20% for 2004, according to district documents.

The impact on local homeowners will vary by community, but one thing is clear: The socalled tax freeze the Milwaukee Metropolitan Sewerage District has announced for next year applies only to Milwaukee and 17 Milwaukee County suburbs.

The freeze does not apply to nine suburbs in Waukesha and Ozaukee counties and one subdivision in Racine County that send their sewage to MMSD treatment plants, district officials said.

"When we said we were keeping our tax rate (frozen), we were just talking about our member communities, not our non-member communities," said MMSD Controller Mark Kaminski.

The non-member communities essentially purchase sewage treatment services from MMSD but are outside the MMSD boundaries.

A committee of the MMSD commission gave preliminary approval for the charges Monday. The full commission will consider the increases Nov. 17.

MMSD bills the non-member communities using a complex formula that starts with the sum that would be collected if the MMSD property tax did apply there. Then costs of flood-control work that don't benefit a particular community are subtracted, and other adjustments are made.

Bottom line for next year: In seven of the non-MMSD suburbs, the sewer bill will rise - from 18.2% in New Berlin to a high of 31.3% in Elm Grove.

Kaminski said the boost was largely attributable to costs in those seven communities connected with the \$210 million Menomonee River flood-control project. MMSD charges are projected to drop next year in the other three non-member communities.

In Elm Grove, the estimated MMSD increase will be \$210,993, or 31.3%, for a total of \$884,660.

Village Manager Dave DeAngelis said the boost comes as no surprise to the village because MMSD annually provides sixyear projections of sewer bills.

Elm Grove folds its MMSD charges into its overall village levy, which is proposed to remain steady for next year. DeAngelis said. The village was able to plan for the MMSD increase and offset it by other cuts, he said.

Other communities outside Milwaukee County that use MMSD pass along the MMSD charge in a variety of ways to homeowners.



Mequon Mayor Christine Nuernberg agreed that Mequon's nearly \$593,000 increase for 2004 was no surprise. The total MMSD bill to Mequon for next year will be \$3 million.

She said the MMSD formula for its charges "was confusing at first, but the district did a very thorough job explaining it."

The MMSD sewer charges for the 18 member communities will remain, on average, nearly the same as this year, according to district officials. Individual homeowners may see MMSD property tax increases, however, based on higher home values.

The overall MMSD budget for next year is \$324.3 million.

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### Non-users may be billed for Germantown sewers

By PETER MALLER pmaller@journalsentinel.com

Last Updated: Dec. 2, 2003

Germantown - Property owners near sewer lines may soon be billed a capital improvement charge even if they don't use the village sewerage system, village officials said Tuesday.

The owners have been getting a free ride because the village sewerage utility pays \$1 million a year to the Milwaukee Metropolitan Sewerage District for all property within 1,000 feet of sewer lines, Village President Charles Hargan said.

MMSD collects the amount regardless of whether property owners are linked to the system, Hargan said, yet only utility customers pay the fee, he added.

"It's not fair to make only customers pay for it," Hargan said. "They shouldn't have to pay for somebody who doesn't want to hook up."

But Village Trustee Melvin Ewert said he opposes any attempt that would pass the cost along to property owners who don't benefit from using sewers.

"How would you like to be charged for something you don't need, don't want and you'll probably never use?" Ewert said. "If MMSD is billing us for something, don't come chasing after me."

MMSD uses the fee to pay for expansion projects that are being planned to satisfy the expected demand for the next 20 years. Village Administrator Chris Lear said.

The village Government and Finance Committee will meet tonight to decide whether to extend the fee to all people within 1,000 feet of sewer lines.

Regardless of the committee's decision, the Village Board will likely have the final say in the matter when it meets Dec. 15, Lear said:

"We'd like to have this settled by the end of the year, so we can start billing by Jan. 1," he said.

Village Finance Director Kim Rath said that calculating the amount each property owner might be billed hasn't been determined. An assessor must first review the value of all property eligible for the fee, she said.

In 2003, the village utility paid MMSD a total of \$1,053,110 for capital improvement charges, Rath said.

As the village expands, more sewers lines are being extended and more property owners will be within the 1,000-foot zone, she said.

Sewerage utilities in other municipalities are already collecting the fee from all eligible property owners, Hargan said.

"I think we're probably one of the last ones that still doesn't charge the way we should," he said. "It's almost like a tax from MMSD. So we should be passing it along the way we're supposed to."

But there's no benefit from having sewer lines near property if owners don't use them, said Ewert, who lives in an area not served by village sewers. So paying for them isn't fair, he said.

"I have my own septic tank and my own water," he said. "It's paid for, and I don't get a quarterly bill from the utility. The village has no business going after people who don't want sewers."

The village also is exploring other changes that would affect sewer users.

Village trustees are deciding whether to charge owners of newly constructed homes a \$3,258 impact fee when they hook up to the system. Owners of existing homes would pay a \$2,952 connection fee for the same privilege, according to a companion measure being considered.

Those fees would "be right in the ballpark" with the amount that properties have been charged for what has been called a "service capacity assessment."

That fee was adopted in the late 1980s to pay for a sewerage lift station and other capital improvements needed when the village became affiliated with MMSD. But Germantown is phasing out the assessment because those bills have been paid, Lear said.

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# Partially treated sewage dumped

### MMSD operators feared deep tunnels would be overwhelmed by storm

By MARIE ROHDE mrohde@journalsentinel.com

Last Updated: May 1, 2003

More than 14 million gallons of partially treated sewage was dumped into Lake Michigan at the Jones Island Treatment Plant early Thursday because of fears that the sewerage system would be overwhelmed by a storm that dropped less than two inches of rain.

Partially treated sewage receives only some separation and disinfection with chlorine. Although federal and state regulators prefer its release to the release of raw sewage, it has been a matter of concern.

At the insistence of the U.S. Environmental Protection Agency, MMSD's recently issued operating permit requires the district to measure the effects of all dumping on water quality rather than just count how often sewage is dumped, the old requirement.

Kevin Shafer, executive director of the Milwaukee Metropolitan Sewerage District, said he was confident the district would meet federal and state water quality standards despite Thursday's incident.

Shafer said the dumping was normal operating procedure even though the district's 405 million-gallon deep tunnel system held only 182 million gallons when the dumping began at 2 a.m. The dumping stopped at 6:50 a.m.

The National Weather Service reported that 1.05 inches of rain fell before midnight at Mitchell International Airport. MMSD reported that between 0.82 and 1.63 inches of rain was measured at 22 sites throughout the metropolitan area from the start of the storm until 4 p.m. Thursday.

The area has experienced drought-like conditions during much of the winter and spring. April's rainfall was 2.61 inches, 1.17 inches below normal, according to the weather service.

A downpour shortly before 11 p.m. Wednesday sent millions of gallons rushing into sewers and the deep tunnels, the cornerstone of a \$2.8 billion effort to contain sewage overflows except during the worst storms and snow melts.

Shafer said the rain had pushedthe Jones Island and South Shore treatment plants to near capacity and that operators feared the heavy rain would continue and that if partially treated sewage was not dumped, the results could have been worse.

Shafer said the biomass, the microscopic creatures that devour waste in one of the final stages of treatment, could have been washed out into the lake. Or, if the rain continued, the district could have been forced to dump the sewage without any treatment, he said.

Despite the dumping, something the district refers to as a "diversion," Shafer said he was confident the district would meet all the standards imposed by state and federal authorities.

Bill Graffin, a spokesman for the district, said the last diversion at Jones Island was Oct. 15, when 2.6 million gallons of partially treated sewage was released because of a human error. The last dumping of untreated sewage, some 412 million gallons, was during an Aug. 12-13 storm. Another 77 million gallons of partially treated sewage was also dumped then.

JS Online: Partially treated sewage dumped

Page 2 of 2

Terry Tobel, a spokesman for United Water Service, the private firm that operates the tunnels and the sewer system, said he was not certain how much sewage was in the deep tunnel system when the storm began.

Normally, the deep tunnels hold sewage and rain during storms to prevent system overload. But the tunnels are also used more or less as conventional sewers when sewer repair work is done, Tobel said.

From the May 2, 2003 editions of the Milwaukee Journal Sentinel



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# MMSD, in turnabout, will block condoms

### \$2 million project intended to keep them out of lake

By STEVE SCHULTZE and MARIE ROHDE sschultze@journalsentinel.com

Last Updated: Sept. 22, 2003

In an abrupt about-face, Milwaukee sewerage district officials decided Monday to launch a \$2 million project using new technology to prevent used condoms from escaping into Lake Michigan from the Jones Island sewage treatment plant.

The move came after Wisconsin Attorney General Peg Lautenschlager told the Milwaukee Metropolitan Sewerage District it faced possible prosecution over a reported June release of condoms found in Lake Michigan. The MMSD Commission just three weeks ago had rejected a staff recommendation to authorize the system for catching stray condoms.

Lautenschlager, in an interview Monday, said the state Justice Department had been reviewing the matter, based on news accounts of a fisherman's complaint of a "condom slick" in Milwaukee harbor.

Justice officials told the district if the Department of Natural Resources had referred the matter to them, "we would have taken a hard look at it and likely would have prosecuted it aggressively," Lautenschlager said.

"I'm encouraged they took action," she said, when told that MMSD commissioners approved the project.

### Background

- System: Final filters fail to win approval (9/8/03)
- Editorial: MMSD's troubled waters (6/22/03)
- Stingl: A trip on a different kind of love boat (6/17/03)
- Condoms: Harbor find sparks angry dispute (6/16/03)

#### Was MMSD at fault?

The condom-catching system was approved even though it's still not clear whether MMSD was actually responsible for the June release of perhaps hundreds of spent condoms into Milwaukee harbor, said Jeannette Bell, the mayor of West Allis and an MMSD commissioner.

Because MMSD did find that some condoms were slipping through the Jones Island plant, the upgrade became necessary, Bell said.

She said district officials were under pressure to do the expensive job, which entails installation of mesh nets to catch the prophylactics from escaping the treatment plant. Bell led efforts on the commission earlier this month to reject the condom project.

"I'm very angry and reluctantly forced to support this measure," Bell said.

Commissioners discussed the issue in closed session Monday before voting to approve a \$163,873 contract with Donohue & Associates to design the system that will catch the condoms. The total cost of the project will be \$2 million, plus an estimated \$96,000 for annual maintenance and operation.

The project entails installation of large mesh bags on tanks at the last stage of the sewage treatment process and have been compared to lint filters installed on home washing machine hoses.

Bell said she still was upset about having to spend the sum because some people "feel they can just flush everything down a toilet." She said flushing was an improper method for condom disposal.

MMSD Commission Chairman Dennis Grzezinski appeared equally perturbed about the project, saying it was likely that spent condoms still will be found in the lake even after the equipment is installed. That's because condoms could wash into the lake from area streams or other sources, he said.

An internal MMSD review found that an average of 32 condoms a day slip through the treatment plant. Normally, "floatables" are removed from the surface of sewage during the treatment process. Since the June complaint, MMSD has sent workers in a boat to check twice a day for condoms in the Milwaukee Harbor and remove them with nets.

The DNR had not made a decision on whether to refer the condom matter for possible prosecution, said Charles Burney, a DNR official who oversees MMSD. He said MMSD's operating permit forbids release of anything more than trace amounts of floatable materials.

#### Tax levy approved

In other action Monday, the commission approved a \$71.4 million property tax levy for 2004, a \$555,000 reduction from the current levy. Commissioners agreed to the cut in order to partially offset a similar increase in industrial user fees expected for next year.

The money for the cut came from delaying a landscaping project for the Jones Island plant.

The trim was made at the suggestion of state Rep. Spencer Coggs (D-Milwaukee), who also serves on the commission. Coggs said the intent of the trim was to avoid any sewer increases next year and show taxpayers the district was sensitive to calls for tax freezes.

However, even though MMSD's overall levy and user fees won't rise next year, some individual homeowners and commercial users could see an increase based on property valuation increases, district officials said.

From the Sept. 23, 2003 editions of the Milwaukee Journal Sentinel

JS Online: MMSD to set nets to catch condoms

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# MMSD to set nets to catch condoms

### \$2 million project will be a short-term fix

By STEVE SCHULTZE and MARIE ROHDE sschultze@journalsentinel.com

Lust Updated: Oct. 21, 2003

The sewerage district Monday put on the fast track a never-before-tried \$2 million system to filter used condoms from discharges at the Jones Island plant - a system that will soon become largely redundant.

The \$2 million project would be a short-term fix and begin operating in mid-2004. A year later, the district will spend \$13 million to replace 20-year-old screens and other equipment that has failed at the "headworks," or sewage intake system at the front of the Jones Island plant.

Milwaukee sewerage commissioners advanced the preliminary fix Monday, voting unanimously to move quickly on authorizing what is expected to be a \$1.5 million system of nets to capture condoms in chlorine tanks at Jones Island. Other costs connected with the unique condom net system include nearly \$100,000 a year for maintenance and additional costs of engineering design work.

But the upcoming \$13 million upgrade will make the \$2 million condom filters unnecessary, except in extra-heavy rainstorms when high sewage flows are diverted from the first two of three stages of treatment, said Kevin Shafer, MMSD's executive director.

In those instances, the district combines partially treated sewage with fully treated sewage before discharging the mix into the lake. MMSD considers that controversial process, which it calls blending, better than simply dumping raw sewage.

#### **Ouick solution sought**

The condom catchers were seized upon as a quick solution after Attorney General Peg Lautenschlager threatened to prosecute MMSD for failing to prevent condoms from getting into the lake.

The issue came to light in spring when a fisherman reported seeing what he called a "slick" of hundreds of used condoms floating in Lake Michigan.

The net solution was chosen because other systems at the treatment plant aren't adequately stopping condoms, which are notoriously difficult objects for sewage plants to capture, said Chuck Burney, a state Department of Natural Resources official who oversees MMSD.

Generally, condoms are screened at the plant's headworks or removed from giant sewage clarifier tanks, Burney said.

But those systems failed, said Dennis Grzezinski, MMSD Commission chairman.

"Clearly, some things have come through the plant," Grzezinski said Monday. "Because (spent condoms) neither sink nor float, the physical processes in the plant one would hope would take care of them didn't."

He said that manually removing condoms at the plant and from the harbor would be too expensive. MMSD is now paying an average of \$460 a day for one worker to scoop spent condoms from the surface of tanks at Jones Island.

#### Plan questioned

One critic suggested manual removal of any condoms that escape the plant would make more sense than spending the \$2 million on the novel filtering system.

"That's a lot of money," said Richard Wanta, executive director of Wisconsin Underground Contractors Association. "What was wrong with the old system?"

Since spring, MMSD has had workers with long-handled nets scoop condoms that bubble to the surface at the plant. The district also sends crews out in the Milwaukee harbor to scoop any prophylactics discharged into the lake.

The \$2 million would be better spent on sewer upgrade projects than on creating the novel plant filtering system, Wanta said.

No condoms have been found to have escaped from the South Shore Treatment Plant, where a finer screen than the one at Jones Island was installed in its headworks two years ago, said Shafer.

Shafer said that even when the new screening system is installed at Jones Island, it's possible that won't solve the problem. Despite efforts to study the entire Jones Island complex, MMSD and its consultants still have not figured out where the spent condoms are coming from.

And some condoms may be washing into the lake from local streets and storm sewers, Shafer said.

The MMSD Commission Monday also approved its \$58.2 million operations and maintenance budget for 2004, a 1.3% increase over this year's. When combined with the already approved capital projects budget, the overall MMSD budget for next year is \$324.3 million, or 7.6% more than this year's.

From the Oct. 21, 2003 editions of the Milwaukee Journal Sentinel

JS Online: MMSD dumps 40 million gallons

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# MMSD dumps 40 million gallons

#### Sewage diversion blamed on rain, maintenance

By MARIE ROHDE mrohde@journalsentinel.com

Last Updated: Dec. 10, 2003

An estimated 40 million gallons of partially treated sewage was dumped into Lake Michigan Wednesday at the Jones Island treatment plant. Officials blamed a maintenance project that had reduced the plant's capacity.

The heavy rain that started Tuesday took the operators of the treatment plant by surprise, according to officials from the firm that operates the plant for the Milwaukee Metropolitan Sewerage District.

The dumping, however, was called into question by the leader of a local environmental group, who wondered why it was necessary when the deep tunnels were only about one-third full. In addition, the rain had been accurately predicted at least a day in advance, said Lynn Broaddus, executive director of Friends of Milwaukee Rivers.

"We have concerns and we are looking into it," she said.

The "diversion," as MMSD officials sometimes refer to such incidents, was done because a portion of the Jones Island treatment plant couldn't be used, according to Terry Tobel, project manager for United Water, the private firm that operates the sewerage system.

Part of the treatment plant had been shut down since Monday because some of the capacity for treating sludge was affected by a four-day maintenance project at the district's nearby Milorganite plant that makes fertilizer, Tobel said.

That meant that solids - the stuff left near the end of the treatment process that's used to make fertilizer - were being stored in some of the Jones Island aeration tanks normally available for treating sewage, Tobel said.

The Milorganite plant maintenance was scheduled for December "because it hardly ever rains in December," Tobel said. That left a reduced treatment capacity at the Jones Island sewage plant and made it "much more sensitive to rain," Tobel said.

Tobel said that officials met Wednesday afternoon to discuss diverting the partially treated sewage back to the 405-million gallon tunnels rather than the lake, but decided against it.

"It had never been done before and there's no easy way to do it," Tobel said. "There's also another storm headed our way from Rockford."

The latest dumping began at midnight and ended midafternoon Wednesday. MMSD spokesman Bill Graffin said that 1.3 to 1.58 inches of rain had fallen in the area since the storm began.

In what sewer officials call a diversion or "blending" operation, partly treated sewage is mixed with fully treated flow before it's discharged into the lake. The process has been OK'd by federal environmental officials as a last-ditch measure preferable to dumping totally untreated wastes.

Broaddus said her group had concerns about the amount of the so-called "blending" MMSD might do and just how diluted the discharge from that process was. She said the alliance would file a statement with the Environmental Protection Agency questioning the new blending policy.



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# 'Blending' is key to MMSD's policy

#### Some treatment seen as better than none

By STEVE SCHULTZE and MARIE ROHDE sschultze@journalsentinel.com

Posted: Jan. 4, 2004

For the Milwaukee sewerage district, skipping one stage of sewage treatment could be the wave of the future.

Tentatively endorsed by the U.S. Environmental Protection Agency, the controversial "blending" practice would permit combining partly treated waste flows with some fully treated effluent before discharging it into Lake Michigan.

The state Department of Natural Resources also has approved the dumping of partly treated sewage. Defenders of the practice say partial treatment is better if the only alternative is no treatment.

"It's the lesser of two evils," said Peter Swenson, an EPA environmental engineer for Region 5, which includes Milwaukee

The Milwaukee Metropolitan Sewerage District has seized upon the practice as a key component of its strategy to handle high sewage flows, noting that its effluent still must meet pollution standards. Officials take pains to make a distinction between "blending" - their preferred term - and dumping untreated sewage.

Some environmentalists, however, oppose dumping partly treated sewage except in the most dire circumstances - record rainstorms, for instance. They say MMSD's state permit and the proposed EPA rule don't provide enough specificity to limit sewage "blending" to emergency situations only.

Skipping the second stage of sewage treatment means dangerous viruses and protozoa - such as hepatitis and Cryptosporidium - can escape the treatment plant before getting dumped into Lake Michigan, said Nancy Stoner, director of the Clean Water Project for the Washington, D.C.-based Natural Resources Defense Council.

"Blending fails to remove parasites and viruses that are the most common causes of waterborne illnesses," Stoner said. The practice also often entails an extra-heavy dose of chlorine to try to kill off infectious organisms, and the residual chlorine discharged into the lake could pose health risks as well, she said.

Michael McCabe, MMSD's chief lawyer, dismissed the charge that more viruses and protozoa slip through the system when part of the treatment is bypassed.

"Regardless of whatever boogeyman the environmentalists are envisioning, that simply does not apply to us or, frankly, to anybody I have talked to over the years," McCabe said.

Dumping partially treated sewage also can be used as a way to let MMSD and other sewer utilities avoid necessary treatment plant upgrades, said Cameron Davis, executive director of the Lake Michigan Federation, a Chicago-based environmental group that is suing MMSD over dumping.

#### Scries of bypasses

During the Dec. 9 and 10 rainstorm, which dropped about 1.5 inches, MMSD dumped nearly 40 million gallons of partially treated sewage from the Jones Island treatment plant. It was the third and largest such event last year.

On May 1, 14.4 million gallons of partially treated sewage was dumped. On May 30, 1.9 million gallons was dumped, an incident attributed to operator error. There were no instances of raw sewage dumping last year, in part because it was a relatively dry year.

The 405 million-gallon deep tunnel system had just 3.7 million gallons of sewage in it during the Dec. 9 and 10 storm when Jones Island plant operators began diverting flows around the secondary treatment units. MMSD officials said, however, that the bypass was necessary because winter plant maintenance had reduced the capacity of the secondary treatment units at Jones Island.

District officials said the sewage was not diverted to the deep tunnels because it would have required reversing the flow from the plant back into the tunnels - something that has never been attempted. The tunnels normally fill by gravity when major sewers reach capacity.

In the wake of the Dec. 9 and 10 incident, however, MMSD has ordered an engineering study to find out whether "throttling," or backing up flow from the plant to the tunnels, could be done safely.

"Throttling flow at Jones Island may provide an opportunity to reduce the need to divert during some wet weather events," according to a Dec. 16 MMSD report.

Though not done at Jones Island, "throttling" heavy sewage flows has often been done at MMSD's South Shore plant in Oak Creek, most recently during the December rains.

Maintenance projects that reduce the treatment plant's capacity "pose an inherent risk to MMSD's public relations," said the report, written by MMSD Technical Services Director Mike Martin. The district has smarted in recent years from reaction to news accounts about dumping untreated or partially treated sewage.

#### A work in progress

The EPA released its proposed national sewage "blending" policy in November to mixed reaction. The agency is collecting public comment until Friday and may make the guideline official after that.

It would allow partially treated sewage dumping only during "peak wet weather conditions" and when failing to do that might run the risk of washing out secondary units of treatment plants. Those units contain biological organisms that consume sewage particles.

In the past, the EPA had no explicit policy on the subject, and some EPA regions initiated enforcement actions against sewer utilities for skipping the second treatment step. Even if the new policy is approved, it falls short of having the force of law, the EPA's Swenson said.

"We don't have a position on it until EPA headquarters issues a policy," he said.

Even so, the EPA did not object to the Wisconsin DNR's approval in April of MMSD's operating permit, which allows the practice.

The permit authorizes the dumping of up to 60 million gallons of partially treated wastes a day. The permit says the practice may be used only during wet weather and when flows exceed the treatment plant's secondary treatment capacity.

MMSD is appealing, seeking authority to dump up to 100 million gallons a day.

Chuck Burney, a DNR official who oversees MMSD, said the practice should be necessary only once or twice a year. He said it would be impractical to design a treatment plant large enough to be able to fully treat all sewage, even in the heaviest storms.

MMSD officials make similar arguments, saying "blending" is a cost-effective alternative to massive expansions.

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# Trio bolsters mayor's hold on MMSD

### Control a blow to accountability, unfair to suburbs, critics complain

By STEVE SCHULTZE and MARIE ROHDE sschultze@journalsentinel.com

Last Updated: Dec. 7, 2003

A trio of policy and political advisers to Milwaukee Mayor John O. Norquist stands sentinel over the sewerage district, reinforcing the mayor's grip over what on paper is a regional - not just a city - sewer utility.

While Norquist's outsize role in influencing MMSD surprises few who closely watch the agency, critics say the mayor's dominance weakens public accountability and deprives suburban residents - who constitute some 44% of the district's customers - of the voice they deserve.

E-mail messages and other records, obtained from City Hall and the Milwaukee Metropolitan Sewerage District, show the three mayoral allies - Bill Christofferson, Steve Jacquart and Jeff Gillis - deeply involved in key policy and public relations decisions at the district.

"There are so many of us invested in MMSD through our property taxes that it isn't fair the way the mayor runs it," said state Sen. Alberta Darling (R-River Hills). "We can't have such a close tie to the mayor, in terms of (his) being able to push so many buttons."

On paper, the agency has been an independent legal entity since its creation in 1982, and has a \$324 million budget with its own taxing power.

In practice, Norquist's allies hash out MMSD details on a range of issues, from public opinion strategy on dumping raw or partly treated sewage to using MMSD to bolster Norquist's opposition to freeway widening, the records show.

Norquist defended his aggressive efforts to shape what MMSD does, saying he's particularly proud of prodding the district to implement his idea of buying huge swaths of undeveloped land near rivers (price tag so far: \$1 million), as well as his notion to have MMSD convert the old city flushing station along the lakefront into a trendy coffee shop (price: \$837,000).

"There's no question; I plead guilty. I interfered," Norquist said. "I don't feel there's anything wrong with it at all."

#### By The Numbers

#### \$120

Hourly rate charged to the sewerage district by forme mayoral adviser Jeff Gills for consulting services.

#### \$248,000

Approximate amount paid to Gillis by the district since 1997 for those services.

Despite that, some members of the sewerage commission say they don't know who Gillis is.

### Quotable

66 There's no question; I plead guilty. I interfered. I don't feel there's anything wrong with it at all. 99

> - Mayor John O. Norquist

He called the current city-tilted governance structure of MMSD appropriate but also said "the ideal would be that the city would have retained the sewerage district to itself." As a legislator, Norquist helped broker the creation of MMSD, a melding of formerly separate city and county sewer commissions.

Only one of the three Norquist allies - Christofferson - has a formal policy-making role with the district, having served since 2000 as one of the mayor's seven appointees to the 11-member sewerage commission. He holds no official commission leadership role but figures prominently in behind-the-scenes MMSD strategy talk.

Christofferson, 60, is a former mayoral chief of staff and local political consultant who has worked on campaigns for Norquist, U.S. Sen. Herb Kohl and Gov. Jim Doyle.

The other members of the trio are Jacquart, 39, Norquist's current chief of staff; and Gillis, 50, a Shawano-based campaign adviser and former City Hall aide to Norquist. Gillis has been a consultant to MMSD since late 1997.

#### District governance

Norquist leaves office next month after nearly 16 years, but the issue of MMSD accountability and governance continues to bubble as backwash to public outrage over the district's record of dumping more than 13 billion gallons of raw sewage.

Darling said she would formally request a legislative study of MMSD and other non-elected boards and plans to propose law changes next year on who runs the district.

How Norquist's successor deals with MMSD could affect the Legislature's interest in making changes, she said. At least one candidate for Milwaukee mayor, former U.S. Rep. Tom Barrett, is pledging greater openness to suburban concerns and said he would appoint sewer commissioners "who can work with their suburban colleagues."

Historically, Norquist played major roles in the hiring of several MMSD executives and in the 1998 privatization of most MMSD operations. For example, in 1997, Norquist dispatched his city budget director to MMSD to sit in on early privatization discussions, recalled Jim Hill, who then was MMSD director of finance and administration.

Hill said he was fired after he and other district officials raised tough questions.

"We asked the right questions at the wrong time," said Hill, now a county mental health official. Hill said the news of his firing was delivered by John Tries, an ex-Norquist chief of staff who then was an MMSD consultant.

Ralph Hollmon, who left as MMSD executive director around the same time, said he did so after a sit-down with Norquist.

The members of the mayor's sewer troika are paid through a mixture of city, MMSD and Norquist campaign money, according to district and city records. Christofferson is paid \$10,273 a year, plus health insurance benefits, by MMSD for his part-time commissioner role. Since 1998, he's also earned about \$27,000 through payments from Norquist's campaign.

Jacquart is paid \$94,135 a year through the city, a job that's in jeopardy with Norquist's departure.

Gillis has a \$120-an-hour consulting contract with MMSD, through which he's been paid more than \$248,000 since late 1997, averaging more than \$41,000 a year and generally working 30 to 40 hours a month or less.

#### **Quiet involvement**

Unlike Christofferson, who speaks out publicly on MMSD matters as commissioner, Jacquart and Gillis play behind-the-scenes roles. Jacquart acknowledged digging into MMSD issues from City Hall but said that doesn't mean he's running the place.

Christofferson did not respond to repeated requests for an interview. In an e-mail, he said only that he had never discussed with Norquist or mayoral staffers how to vote on the sewerage commission.

Gillis did not return several telephone and e-mail requests for an interview.

MMSD Executive Director Kevin Shafer had difficulty describing exactly what Gillis did for the district.

"If there is an issue or an item we need advice on, as far as, how would that be viewed? Or what's the historical approach been to this?" Gillis' advice is sought, Shafer said. He at first said Gillis did not advise him on district policy, then said, "It's not only policy."

The district could not provide any reports or other tangible work product from Gillis from his five years as a consultant.

Gillis has had repeated no-bid contracts with the district because of his "expertise and experience in legislative and policy

matters," district records say. He got his initial contract with the district under Shafer's predecessor, Anne Spray Kinney, a former Norquist budget director.

Gillis' contracts variously have called for him to consult on flood-control projects, "rainwater reduction education" and "organizational realignment of the district."

Some members of the sewerage commission don't even know who Gillis is. Greenfield Mayor Tim Seider and River Hills Village President Bob Brunner, who both serve on the sewerage commission, said they had never heard of Gillis.

Seider said though Norquist may have had heavy influence over MMSD policy in the past, he didn't believe that was still true. But Seider and Brunner also said they were not aware of the e-mail discussions between the three Norquist associates and MMSD officials.

Said Brunner: "I have the feeling that the whole board isn't being brought in as equals. When you don't know what is being discussed, it's sort of hard" to make informed decisions.

Norquist, Shafer and Jacquart said the contacts from the Norquist trio with MMSD officials were unremarkable. And Shafer said he also frequently contacts suburban officials separately on some district issues.

From the Dec. 8, 2003 editions of the Milwaukee Journal Sentinel



#### WISCONSIN LEGISLATIVE AUDIT BUREAU AUDIT SUMMARY

Report 02-12

July 2002

#### Milwaukee Metropolitan Sewerage District

The Milwaukee Metropolitan Sewerage District is responsible for providing sewage services to the City of Milwaukee and most of Milwaukee County, as well as to several municipalities in surrounding counties. Wastewater from local sewer systems flows into the District's system of collector sewers before it is treated or temporarily stored in 19.4 miles of tunnels at depths of up to 325 feet, which are known as the Deep Tunnel. Both the collector sewers and the Deep Tunnel are part of a comprehensive, multi-year, \$2.3 billion sewer improvement program that the District began in 1986 to comply with federal water quality standards by reducing the amount of untreated sewage discharged into local waterways.

#### Sewer Overflows Have Not Been Reduced to the Extent Anticipated

The Deep Tunnel has reduced both the number and the volume of sewer overflows in the Milwaukce area. The average discharge of untreated wastewater has been reduced by 7.2 billion gallons annually, which is an 81.3 percent reduction from estimated pre-tunnel levels. Nevertheless, at the time of construction, the Deep Tunnel was expected to virtually eliminate sanitary sewer overflows, which discharge waste from homes and businesses, and to limit overflows from sewers that combine sanitary sewage and stormwater to an average of 1.4 per year. Contrary to these expectations, there has been an average of 4.9 sanitary sewer overflows and 3.0 combined sewer overflows annually since the Deep Tunnel went into operation.

In total, the District has discharged 13.2 billion gallons of untreated wastewater since the Deep Tunnel began operation in 1994: 12.3 billion gallons from combined sewer overflows, which were allowed under an operating permit issued by the Department of Natural Resources (DNR), and 936.7 million gallons from sanitary sewer overflows.

#### Sewer Overflows Have Multiple Causes

A combination of factors has resulted in more overflows than were expected, including large storms in recent years, stormwater infiltration into sewers, capacity issues in the Deep Tunnel and the District's sewers and treatment facilities, and operational policies that have exacerbated overflows. Approximately 64 percent of the overflow since 1994 was discharged because the District's system could not capture wastewater generated by storms of a size it was designed to handle.

Capacity has been limited by a 17.4 percent increase in water inflow and infiltration into the sewer systems of the municipalities served by the District, a problem caused by siphons that limit the amount of wastewater conveyed to one of the District's two treatment plants, sediment deposits in the Deep Tunnel, and policies and strategies adopted by the District and its private contractor. For example, a total

of 107 million gallons of untreated wastewater was discharged since June 1999 during six overflows that occurred because the contractor had temporarily turned off Deep Tunnel pumps while switching to a lower-cost source of electricity.

#### Plans to Increase Capacity and Reduce Flooding Will Be Costly

To address the limitations of its sewer system, the District plans to spend \$786.4 million on projects that include constructing 116.0 million gallons of additional storage capacity for sanitary sewage, improving its conveyance system, purchasing equipment to improve its ability to predict storage capacity needs, and increasing treatment plant capacity.

In addition, to reduce the amount of stormwater entering its sewer system, the District has funded \$2.1 million in local demonstration projects and adopted new limits that are intended to reduce inflow and infiltration by 5 percent district-wide through 2010. It also requires municipalities to include runoff management systems as part of their development plans.

Through 2001, the District spent \$133.8 million for watercourse improvement projects that are expected to reduce flood damage and sewer overflows and to improve water quality. The costs of these projects have been higher than the District anticipated. For example, the Lincoln Creek flood control project, which is in the Milwaukee River watershed, cost 63.9 percent more than original project estimates. The District plans to spend a total of \$410.0 million for watercourse improvement projects through 2010, including \$131.3 million for the Milwaukee River watershed and \$192.0 million for the Menomonee River watershed.

#### Water Quality Has Improved in Parts of the District's Service Area

Our review of water quality monitoring data suggests water quality has generally improved within the City of Milwaukee and the Village of Shorewood, where stormwater and sanitary sewers are combined. However, water quality outside of the combined sewer area has not improved substantially since 1994. Furthermore, despite improvements within the combined sewer area, a DNR report indicates neither Lake Michigan nor Milwaukee-area rivers currently meet designated water quality standards specified in federal and state law. Other sources of pollution, including nonpoint sources, continue to adversely affect water quality in the District's service area.

#### The District May Not Have Met All Conditions of Its Permit

Our review of overflow data indicates that in four instances between 1994 and 2001, the District did not submit timely reports to DNR on sewer overflows that released approximately 90,000 gallons of untreated wastewater into Milwaukee-area waterways. The District ultimately reported these overflows in a quarterly report to DNR. In addition, based on our review of available information, the District exceeded groundwater standards for coliform bacteria in at least 29 wells since 1995, and the Deep Tunnel was filled to a higher level than the permitted maximum five times since 1994. These isolated violations of permit conditions did not result in formal enforcement actions by DNR.

full report, PDF file (1,380KB) This file requires Adobe Acrobat

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#### MMSD defends tunnels

#### Cost to end all sewage dumping \$2 billion to \$3 billion, lawmakers told

By STEVE SCHULTZE of the Journal Sentinel staff

Last Updated: Sept. 4, 2002

Forcing the Milwaukee sewerage district to stop all dumping would cost \$2 billion to \$3 billion in fixes that still wouldn't significantly improve Lake Michigan water quality, state lawmakers were told Wednesday.

Milwaukee Metropolitan Sewerage District officials aggressively defended the deep tunnel system and the district's dumping record, saying most of the 13.6 billion gallons of raw sewage discharged into local waterways since 1994 came from combined sewers that carry storm water along with sanitary waste.

MIMSD

Landowners: MMSD plan draws skeptical response

MMSD defenders described the district as a model sewer utility and said criticism of its dumping was misguided. While reducing dumping remains a goal, MMSD officials blamed pollutants from other sources - not their dumping - for most of the ongoing Lake Michigan water quality problems.

"The tunnel was not built to take care of all overflows," MMSD Executive Director Kevin Shafer said at a hearing of the Legislature's Joint Audit Committee held at the Milwaukee County Courthouse. His comments came as lawmakers reviewed a July 30 state audit of MMSD that found the deep tunnels had failed to meet expectations.

"I really do believe it's time for us to move on," said state Rep. Antonio Riley, chairman of the MMSD Commission.

Taxpayers wouldn't stand for the doubling of sewer property taxes it might take to halt dumping, and such an increase would drive businesses from Milwaukee, Riley said. MMSD's sewer tax rate is \$1.70 per thousand dollars of a home's value, or \$255 on a \$150,000 house.

"There is no magic bullet" to end dumping at a realistic price, he said.

Critics, however, said MMSD needed more scrutiny on how it plans to spend some \$1 billion over the next eight years on a variety of projects and said that the state hadn't been tough enough on MMSD's failings. They urged consideration of various efforts aimed at curbing raw sewage dumping, and speeding up projects to expand the MMSD system's capacity.

State Rep. Jon Richards (D-Milwaukee) noted that the first capacity improvements aren't slated for completion until 2006. Moving those up even by a year would save billions of gallons of additional raw sewage from being dumped, he said.

MMSD has decided to advance two sewer projects, but they likely won't be done until 2006 or 2007 instead of 2009, said Shafer.

Richards also asked for an investigation into cost-saving practices by United Water Services, the private MMSD operator, which auditors said had led to some dumping. Any savings from practices that cause dumping should be paid into a sewer improvement fund, Richards said.

He also called for monetary penalties to be assessed against United Water in case of infractions of its contract with MMSD. Under current provisions of the 10-year, \$140 million pact, MMSD has no authority to levy fines.

JS Online: MMSD defends tunnels Page 2 of 2

"What we are seeing now is a steady degradation of water quality in Lake Michigan," Richards said.

The audit found that water quality in Milwaukee has improved slightly since the tunnels were built but has worsened elsewhere in the metropolitan area. MMSD and the state Department of Natural Resources say polluted runoff from farms and city streets - not dumped sewage - is likely the biggest pollution culprit.

#### Separate sewers urged

Several speakers urged a reconsideration of separating Milwaukee's combined sewers to help reduce rainwater flowing into the sewer system. That idea was considered and rejected more than 20 years ago in favor of the deep tunnel system. The tunnels and related sewer improvements were completed in late 1993 at a full cost of some \$2.8 billion and remain the state's most expensive public works project.

Separating sewers now could cost as much as \$3 billion, Shafer said. State auditors, however, have said MMSD estimates for the job were exaggerated.

Richard Wanta, executive director of a trade group for underground contractors, suggested a staged project of separating the old combined sewers except in the downtown area, to avoid the disruption it might cause there. The city has combined sewers in an area bounded by Oklahoma Ave. on the south, Hampton Ave. on the north, Lake Michigan on the cast and 60th St. on the west. Part of Shorewood also has combined sewers.

The rest of Milwaukee and all other communities in the state except Superior have separate storm and sanitary sewers.

DNR Secretary Darrell Bazzell said he isn't advocating separation but believes it should be at least reviewed. Shafer said it would, along with other long-range projects.

Riley blasted separation as an outdated and overly expensive approach.

But state Sen. Mary Lazich (R-New Berlin) said she remained concerned that MMSD's project spending was misplaced and that its long project list might do little to address the dumping problem.

"These are Band-Aids, compared to the problem of overflows," or dumping, she said.

District officials said three projects scheduled for completion by decade's end would add 116 million gallons of capacity to the MMSD system, including an 88 million gallon tunnel link in Wauwatosa now under construction. New controls to more accurately measure sewage flows also are planned and should help reduce dumping, Shafer said.

Among the defenders of MMSD at Wednesday's hearing was Phil Evenson, executive director of the Southeastern Wisconsin Regional Planning Commission. He said his agency recommended the deep tunnels instead of sewer separation as a more cost-effective way of limiting dumping and curbing water pollution.

"Nothing in the (audit) report tells us that wasn't the right decision," Evenson said. Incremental improvements to the tunnels make more sense now, he said.

Appeared in the Milwaukee Journal Sentinel on Sept. 5, 2002.

JS Online: Editorial: The feds take aim at MMSD

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# Editorial: The feds take aim at MMSD

From the Journal Sentinel

Last Updated: Dec. 19, 2002

Federal regulators are insisting on tougher water quality standards for the Milwaukee sewer system in its new five-year permit. Officials at the Milwaukee Metropolitan Sewerage District are balking, claiming the changes are not necessary and may even violate the federal government's authority.

Those arguments aren't surprising, of course, but neither are they convincing. Not when millions of gallons of raw and partially treated sewage still wind up each year in area waterways and Lake Michigan despite continuing costly improvements to the system. State and federal regulators would be derelict if they didn't try to do everything in their power to dramatically curtail this dumping, if not end it altogether.

And that's what the proposed changes are all about. The current federal permit, which expires at the end of this month, is based on the frequency of sewage dumpings. But the U.S. Environmental Protection Agency believes that this approach is inadequate. It wants MMSD to use a computer program that would show the impact on local water quality based on how much sewage is dumped. Under the current permit, the EPA limits dumping incidents. The proposed change seems reasonable to us and to the state Department of Natural Resources, which agrees with the EPA.

District officials, in fairness, are taking steps to minimize the dumping. They recently decided to hire sewerage officials in two other states to conduct an independent audit of their operations. But environmental groups such as the Lake Michigan Federation point out that the dumping of large volumes of waste persists. The only way to stop it, they say, is with tougher regulations and equally tough enforcement.

It's hard to argue with that logic.

A version of this story appeared in the Milwaukee Journal Sentinel on Dec. 20, 2002.

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# Editorial: MMSD's credibility gap

From the Journal Sentinel

Lust Updated: July 19, 2003

Milwaukee Metropolitan Sewerage District Commissioner Bill Christofferson says district officials are not shopping around for experts to contradict a study that claims the district has been severely underreporting the volume of raw sewage that has been dumped into area waterways. By seeking to review the findings, officials are just "looking to make the program work" and make sure the study's results are accurate.

Maybe, but the public could be forgiven for thinking this is a duck since it sure walks and quacks like one. District officials will need to do a lot more work to convince the public otherwise.

According to the district-financed study by Milwaukee-based Triad Engineering, MMSD, in reports filed with the state, underestimated by 72% the amount of raw sewage dumped after three large storms. District officials received the final report in December, but its contents did not become public until the Journal Sentinel obtained a copy this month. Even district commissioners were kept out of the loop.

Executive Director Kevin Shafer has apologized for not disclosing the study earlier, but his apologies have raised other questions. In a letter apologizing to the state Department of Natural Resources, for example, Shafer said critical computer software had not been successfully installed or tested by Triad. He also said the new program was in the possession of a Triad subcontractor who no longer was working on the project.

But a Triad engineer told the Journal Sentinel's Marie Rohde and Steve Schultze that the software had in fact been turned over to MMSD. Asked about the contradiction, Shafer admitted that the district had the software but that it wasn't working properly because of "glitches" and that he still thinks the Triad study findings are suspect. Maybe Shafer is right, but the way the district has been handling these issues doesn't exactly instill confidence.

About a month ago, another report essentially said that, while there was room for improvement, the district was in good hands and that water quality has improved markedly since the deep tunnel project was completed. One of the biggest problems, that report said, was the district's poor image among the public.

Well, when the results of a major study are withheld, apparently because officials aren't happy with them, the resulting image is bound to be a bit tarnished. Nor does it help when the DNR announces it will try to prosecute MMSD over the dumping last week of 250,000 gallons of untreated sewage into Lincoln Creek, although MMSD deserves credit for quickly terminating the contract of the firm reponsible for the dumping.

Secrets, obfuscation and state investigations tend to result in poor perceptions. Improving those perceptions is actually quite simple, and it doesn't require spending a lot of money on public relations firms. Just reduce the overflow of untreated and partially treated sewage - and be upfront with the public even when the news isn't good.

From the July 20, 2003 editions of the Milwaukee Journal Sentinel



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Return to regular view

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# A third in survey call water efforts poor

# Half neutral on MMSD's pollution fight

By STEVE SCHULTZE sschultze@journalsentinel.com

Last Updated: Aug. 4, 2003

A survey commissioned by the Milwaukee sewerage district shows more people have a negative than positive view of the district's pollution-fighting efforts.

Nearly one-third of area residents said the Milwaukee Metropolitan Sewerage District has done a very poor or poor job at improving local water quality, while about one-fifth gave the district good marks for battling water pollution, according to the survey.

And nearly half of the survey respondents were essentially neutral on the topic, rating MMSD's efforts as neither good nor bad, the survey found. The survey was finished in April; MMSD publicly released results last week in response to a request by the Journal Sentinel.

An MMSD official said Monday that she viewed the results as neither good nor bad and that they would be used as the basis for follow-up efforts. The survey was done as part of the district's long-range planning program, an \$18 million effort to craft a 2020 Facilities Plan to guide future sewer, watercourse and other improvements.

"We are not viewed as successful at improving water quality," acknowledged Karen Sands, watershed planning manager for MMSD. The district has come under fire in recent years for ongoing problems with dumping untreated sewage into local waterways and has agreed to an ambitious assessment and upgrade program to settle charges the district had violated its operating permit by the dumping.

Of greater immediate concern, Sands said, was that relatively few respondents knew which watershed they lived in or whether their homes were served by combined or separate sanitary and storm sewers. Part of the 2020 planning effort will include teaching the public more about those topics, Sands said.

The survey also found:

51% of local residents said the environment was an important issue, but it ranked below health care, education, crime and the economy.

42% rated local water quality as poor or very poor, while just 12% said streams and rivers had good or very good water quality. However, 35% said local water quality had "improved somewhat" over the past five years.

Sewer overflows were pegged as the main cause of water pollution by 36% of respondents, second only to industrial wastes, which were picked as a major cause by 38%.

The survey was created by Bay Ridge Consulting of Whitefish Bay and conducted by Advantage Research Inc. of Germantown. Bay Ridge was paid \$8,400 and Advantage was paid \$7,340, said Bill Graffin, communications manager for MMSD.

Surveys were done by phone in March of 411 people evenly distributed around the Milwaukee area.



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# Lautenschlager visit to MMSD not so ordinary

Last Updated: Sept. 2, 2003

#### Spivak & Bice

Ask a Milwaukce Metropolitan Sewerage District official, board member or flack why Attorney General Peg Lautenschlager and two of her top aides spent three hours at district headquarters last week, and you'll hear a lot of happy talk.



Cary Spivak & Dan Bice
E-MAIL | ARCHIVE

"It was an information session and tour of our treatment facilities," chirped Bill Graffin, MMSD flack. "We're doing a lot of tours right now with opinion leaders."

A board member, speaking on background, insisted that Lautenschlager had come at MMSD's invitation for a routine visit.

But dig through the muck, and you'll see this was no ordinary visit by Lautenschlager, Deputy AG Dan Bach and Assistant AG Mike Bauer - it was part of an investigation.

To set the record straight, it was Lautenschlager & Co. who invited themselves to take the lengthy tour of the facilities. The state's top law enforcement official is pondering whether to go after MMSD by slapping it with a public nuisance lawsuit, sources tell us.

Those sources say Department of Justice lawyers are scouring law books to see whether civil charges should be brought against MMSD for dumping partially treated waste into Lake Michigan. The most talked-about portion of the discharge was the hundreds of spent condoms found floating in the lake in June.

It would, no doubt, be tough to make a public nuisance charge stick, one source said, putting the odds of filing suit at about 40-60 against any action. Still, Lautenschlager is three years away from having to face the voters again, so if she were to take a risky action, there really would be no time like the present.

Graffin and MMSD lawyer James Petersen declined to comment, saying the district would have nothing to say unless the Justice Department confirms a probe. State and federal regulators have brought no charges against the much-maligned district.

But the first-year attorney general hasn't signed off on the findings of the state Department of Natural Resources or the U.S. Environmental Protection Agency.

Reached the other day, Lautenschlager had little to say, except to confirm she spent close to a half-day at the sewerage district last week.

"I was out there to follow up on summer discussions with the DNR and MMSD," Lautenschlager said, "and to get a better understanding of the technology and operation."

A source close to her, however, said she is intrigued with the idea of taking on MMSD.

"It's safe to say that the attorney general is not comfortable with the DNR and EPA's findings that they were within their permit limits," said one source close to the state Department of Justice. "Clearly, it's not dead.

"Why else would the the attorney general and her two top aides spend three hours over there?"

The source has a point. There aren't too many people who would voluntarily leave Madison on a sunny day to spend a few

JS Online: Lautenschlager visit to MMSD not so ordinary

hours at the Jones Island treatment plant.

#### Also known as

Talk about getting the inside scoop.

Boris & Doris on the Town, a gossip column in the weekly Shepherd Express, broke from its usual party-circuit fare last week to report that the Wisconsin Public Radio show Hotel Milwaukee would be leaving the air - unless someone comes through with some cash.

"If an angel is out there," the column pleaded, "please let them know."

What many readers probably didn't know is that Doris, the co-author of the column, is Pam Percy, the show's producer. In fact, the column mentions Percy by name but never points out that she wrote the not-so-subtle solicitation.

Interviewed the other day, Percy offered two defenses.

First, she makes the debatable point that most everybody in town knows that she and her husband, Marty Hintz, jointly write the gossip column for the city's alternative paper.

"We don't try to hide our identity," Percy said.

Then she did what every reporter - and columnist - does: blame the editor.

Percy said that when she wrote the column, she ID'd herself, making clear that she and Doris were one and the same. But she said her editor deleted these references.

"I put it in," she said, "and they took it out."

Shepherd Express Publisher Louis Fortis sheepishly agreed: "It was inadvertently edited out."

#### Just announce already

Checklist for Sheriff David Clarke's mayoral bid:

Set up campaign account - check.

Search for office space - check.

Hire fund-raiser Dave O'Neill - check.

Hire campaign manager - time to head to the hills of Kentucky.

Sources tell us that Clarke, the all-but-announced mayoral candidate, has brought on board Jeremy Cole to run his campaign's day-to-day operations. Cole is a political operative who last worked in the Bluegrass State.

Clarke, who is in his first term, declined to answer questions about his new hire. Nor would he discuss the talk that he is eyeing a campaign office on the southwest side.

"That speaks to the process," the sheriff said. "I don't want to get into specifics until I make a final, public decision."



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# MMSD needs overhaul, report says

#### Sewer district wastes money on projects that fall short, group says

By STEVE SCHULTZE sschultze@journalsentinel.com

Last Updated: Sept. 7, 2003

The Milwaukee sewerage district has wasted huge sums of public money for ill-conceived projects that haven't solved dumping problems, a new report charges.

The solution, according to the Wisconsin Policy Research Institute: a major overhaul of the Milwaukee Metropolitan Sewerage District to make it more accountable.

The conservative-leaning institute unleashes blistering criticism of the sewerage district in its report and calls for a change from the current system in which the Milwaukee mayor appoints a majority of the 11-member MMSD Commission members.

The report makes no specific recommendation on how to reshape the district.

"The lack of accountability is breathtaking," said institute president James H. Miller in the new report, which will be formally released today. The sewerage district has taxing authority and plans to levy \$71.9 million in property taxes in 2004, unchanged from this year's sum.

Milwaukee Mayor John O. Norquist called the institute report "a politically motivated effort to restart the sewer wars." The sewer wars were ignited by an unsuccessful effort to base sewer funding on usage instead of property values. The battle went on for years and pitted the city against its suburbs.

"The real goal of changing governance is to give a tax break to Waukesha and Ozaukee counties at the expense of Milwaukee County taxpayers," Norquist said.

MMSD Commission Chairman Dennis Grzezinski called the report biased and "an embarrassing diatribe." Sewage dumping had been trimmed from 50 incidents a year before the deep tunnels were built to an average of about 21/2 annually, which has helped to clean up local rivers and Lake Michigan, he said.

Kevin Shafer, sewerage district's executive director, declined to comment on the report.

#### Spent billions

In an interview, Miller said the sewerage district has failed to curb raw sewage dumping even after spending billions of dollars on expensive sewer projects. State and federal regulators have not firmly enforced pollution laws against the district, he said.

With perhaps \$2 billion in sewer upgrades on the drawing boards, something should be done to make the district more accountable before that money is spent, Miller said.

"There seems to be almost no accountability with these guys," he said. "They seem to be able to almost do what they want," unhindered by regulators, Miller said. Vague standards on water quality from the state Department of Natural Resources and

federal Environmental Protection Agency have hampered efforts to hold the sewerage district accountable for dumping, according to the institute's report.

About 13 billion gallons of untreated sewage have been dumped by the district since late 1993. The district in 2001 agreed to spend \$1 billion on sewer upgrades to settle dumping charges brought by the DNR. The biggest project, now under construction in Wauwatosa, is a \$116 million link to the deep tunnel system. The 20-foot diameter, 7-mile tunnel, being drilled under the Menomonee River, will connect with the deep tunnel system.

Additional spending is expected after a new long-range plan is developed.

The report reviewed nearly 200 news articles, some as old as 1913, as well as other reports and audits on MMSD to assess the district's performance.

#### Among the findings:

- The \$3 billion deep tunnel and related sewer upgrades the state's most expensive public works project, completed a decade ago has not lived up to its billing to virtually eliminate dumping. Expectations about the tunnels' capability to halt dumping exceeded the results, though no firm standard for the tunnels was uncovered by the institute review.
- The sewerage district, with support from the late Milwaukee Mayor Henry Maier, continually fought to trim costs and
  scale back the scope of the tunnel project through a series of court battles in the 1970s. MMSD argued successfully to
  avoid lining much of the deep tunnel system with concrete, a move that in retrospect has proved a costly mistake
  because of leakage.
- Water quality was expected to dramatically improve as a result of the tunnel's construction; instead there's been only a slight improvement in Milwaukee waterways and worse pollution of suburban waters, the report says.

The report says district officials have responded to criticism "with redirection, excuses and denial." The district has often responded to questions about its dumping by replying that it had successfully captured and treated far more sewage than it had dumped, for example, the report said. Among the district explanations offered for dumping: extra heavy rainstorms, global warming and leaky suburban sewers, the report says.

State Sen. Alberta Darling, in an interview Friday, said she plans to introduce legislation this fall to change the sewerage district's governing hody, probably to an elected one. Miller and Darling said the institute's report was done independently of Darling's push for an district makeover.

Darling (R-River Hills) said she would consult with local officials and residents before introducing her overhaul, which she said probably won't be acted on until spring. An effort by Darling in 1996 to put an elected board in charge of the district failed.

From the Sept. 8, 2003 editions of the Milwaukee Journal Sentinel

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# Deep-tunnel model a washout

Last Updated: Oct. 11, 2003

### Spivak & Bice

Even in theory, the damn thing doesn't work.



Cary Spivak & Dan Bice E-MAIL | ARCHIVE

Last year, the Milwaukee Metropolitan Sewerage District and Alterra Coffee Roasters joined forces to open a combination coffee shop and sewer museum on the lakefront.

Alterra saw it as a way to make a few bucks selling its coffee, and the ever-controversial MMSD thought the museum might be a way to convince the public that it does actually know what it's doing.

The centerpiece of the museum: a \$90,000 scale model of the deep tunnel system.

But if you didn't get the chance to play with the interactive toy while sipping a latte at the 1888 Milwaukee River Flushing Station at 1701 N. Lincoln Memorial Drive, don't bother.

Plagued by problems in its 11 months on display, the thing's been pulled.

"There were times when it was inoperative," admitted MMSD rent-a-flack Jeff Fleming, adding, "the hydraulic elements were not operating."

A clerk at the trendy coffee shop had a much simpler explanation for the situation.

"It didn't work," he said, explaining that when customers punched the buttons to make the water flow, nothing happened.

Now that's realistic.

And then there were the leaks - in the model and in the museum's ventilation system.

"There were minor leaks that were quickly resolved," Fleming said.

Obviously, MMSD has more experience than it would like at explaining away overflows, leaks and other, shall we say, dreck, both related and unrelated to the deep tunnel project.

So it came as no surprise when Fleming did his best to spin what is undoubtedly a crappy situation, pointing a finger back at this newspaper. He noted that architecture critic Whitney Gould had panned the model, calling it a "clunker" in a "huge, ungainly display case."

Gould certainly knows a pile of it when she sees it.

In his defense of the district, Fleming strongly implied that the model, which he estimated at 6 to 9 feet long, was shipped out as a result of Gould's critique.

"There were a variety of reasons (for the move), not the least of which was Whitney Gould," Fleming said.

The only problem with that story: Gould's generally favorable review of the coffeehouse ran a good 11 months before MMSD paid two movers \$215 to get the model out of there.

Page 2 of 3

JS Online: Deep-tunnel model a washout

If you still want to see just how the district could fritter away \$90,000, you'll have to go to the Jones Island waste treatment center to see the contraption. It's being repaired and will soon be installed there - just in time for the winter tourism season.

#### Help wanted

Out with the old, in with the new.

Milwaukee County Judge Lee Wells has put in his notice that he intends to retire as of Valentine's Day. The 62-year-old judge has been sitting on the bench since 1981.

Gov. Jim Doyle will appoint a replacement since Wells is leaving two years before his term is up. It will be the second Milwaukee appointment for the first-term Democrat, who is getting ready to fill the vacancy left when Judge Jacqueline Schellinger stepped down this summer.

A committee has whittled the list of 26 applicants for Schellinger's post down to five: Assistant Family Court Commissioner Fred Rosa; Assistant DA Lori Korblum; public defender Peter Goldberg; Court Commissioner Glenn Yamahiro and Milwaukee lawyer Catherine La Fleur.

One Doyle insider speculated that Rosa and Yamahiro may have a slight edge because of their judicial experience.

P.S.: Marquette University law professor Ed Fallone is hoping to be the first Latino to win a seat on the state Supreme Court.

Fallone, 39, said Friday that he will apply for Supreme Court Justice Diane Sykes' seat if she's confirmed for the U.S. appellate court. Doyle would name her successor.

"This is the only position that would pry me away from academia," said Fallone, who has been at the Marquette Law School for more than a decade.

Others interested in the Supreme Court seat include Milwaukee County Judges Jean DiMotto, Louis Butler and Maxine White and Dane County Judge Angela Bartell.

#### What's in a name

We can't help but wonder just what former Gov. Tony Earl, ex-lawmaker J. Sheehan Donoghue and former Crandon mine honcho Dale Alberts were thinking when they named their new business Innovative Business Strategies-21st Century.

Look at the initials being used in their logo - I.B.S. Are these pols admitting to what everybody knows politicians do all day anyway? Is that really the message that a fledgling consulting company wants to send out? We'll BS for you - or to you.

"It was an unintended consequence," Alberts laughed when we asked whether the initials were declaring a corporate philosophy. "Obviously, we're Innovative Business Strategies - no BS intended."

And just in case you're wondering, there is a reason this column is called Spivak & Bice - not Bice & Spivak.

Even our bosses figured that one out.

From the Oct. 12, 2003 editions of the Milwaukee Journal Sentinel

# Cary Spivak & Dan Bice Archive

When the cash ran out, George copped a plea (1/24/04)



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Original URL: http://www.jsonline.com/news/metro/dec03/191252.asp

# Firm accuses MMSD of ordering payment to official's friend

#### District finds no wrongdoing, but will hire independent look

By STEVE SCHULTZE sschultze@journalsentinel.com

Last Updated: Dec. 8, 2003

Milwaukee sewerage district officials on Monday said they would hire an independent investigator to review allegations from a consultant who accused the district of mismanagement and contracting improprieties.

Norris & Associates has claimed that a district official ordered the firm to bill \$600 through its contract for work purportedly done by a friend of a Milwaukee Metropolitan Sewerage District official.

Rick Norris, the firm's founder, also accused the district official, Shaleta Dunn, of requiring him to hire and pay another subcontractor \$2,500 for creation of a district Web site.

Barring a reprieve from the 11 commissioners who oversee the district, Norris & Associates could soon lose its \$330,000 contract to help monitor the district's minority contractor program.

The Norris contract was suspended last week by sewerage district Executive Director Kevin Shafer, who said in a letter that the firing was being done at the district's "convenience." The Norris firm has been paid about \$79,000 so far under its three-year contract.

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District spokesman Bill Graffin said Monday that an internal review of the Norris allegations had determined no wrongdoing on the part of the district. Graffin said an independent investigator would be hired as soon as possible.

"These are very serious claims," Graffin said. "We want to make sure everything is on the up and up here."

He said he didn't know who would be hired or how long the new investigation might take.

#### Action justified

Jeff Spence, manager of agency services for the sewerage district, said the Norris firm was being dumped because insufficient progress had been made under its contract. Several options, including replacing Norris, will be presented to sewerage commissioners Monday, Spence said.

He said the district had not ruled out continuing in some form with Norris, which has several other contracts with the district.

"We've worked well with Norris & Associates in the past, and we look forward to working with them in the future," Spence said.

Rick Norris, a former district employee, could not reached for comment.

Norris was awarded the monitoring contract in December 2002. A main goal was to help the district ensure that sewer construction contractors comply with district policy on sharing a portion of their work with minority, women and small-business subcontractors.

By last summer, however, the relationship had soured between Norris and Dunn, who heads the district's minority contract compliance office, according to a lengthy written compliant by Norris.

#### Improprieties alleged

In a Sept. 17 letter to the district, Norris said Dunn had improperly ordered his firm to bill the district \$600 for work purportedly done by Kelsey Potts, whom Norris described as a family friend of Dunn's. Norris paid Potts, even though the work did not relate to the firm's contract, Norris wrote.

Potts reportedly helped fill out quarterly reports to the state on minority contracting, according to the Norris letter.

Norris had told Dunn in an August e-mail: "Based on current project tasks, we do not have any work" for Potts. Norris paid Potts, however, because Dunn threatened to delay payments owed to Norris or to perhaps terminate Norris' contract, according to the September letter.

Dunn said Monday that Potts was not a family friend, but otherwise declined to comment. Dick Solomon, a sewerage district lawyer, said Dunn's account was "180 degrees" different from the firm's.

Potts couldn't be reached for comment.

The Norris complaint may undercut the district's claims of minority subcontracting success. The district has said it has exceeded its goal of having 20% of its contracting business go to small firms or those owned by minorities or women for each of the last three years.

Norris said in its letter, however, that the district records used to develop contracting statistics were unreliable.

Trina Dennis, an attorney who worked with Norris on the sewerage district contract, said that the district sent out its termination letter to Norris in early December - within days of her filing an extensive request for documents and other internal information from the district.

She said the contract suspension appeared in part to be retaliation for the record request.

From the Dec. 9, 2003 editions of the Milwaukee Journal Sentinel

JS Online: MMSD hires an investigator



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CORRECTION: Trina Dennis actually said MMSD official Shaleta Dunn recruited Potts.

# MMSD hires an investigator

#### Former U.S. prosecutor to scrutinize allegations of contract wrongdoing

By STEVE SCHULTZE sschultze@journalsentinel.com

Posted: Dec. 21, 2003

Sewerage district officials have hired a former federal prosecutor to help them investigate a consultant's claim of contract improprieties and pledged to seek criminal charges if warranted.

The consultant, Rick Norris & Associates, has said a district employee required the firm to bill the Milwaukee Metropolitan Sewerage District \$600 for work purportedly done by a family friend of the MMSD employee. The district has denied the accusation.

The district has hired Rodney Cubbie, a criminal defense lawyer and former assistant U.S. attorney, to amplify MMSD's own in-house probe, said Bill Graffin, a spokesman for MMSD.

"We are going to get this investigation done, and if there is something found, it will be dealt with" by a formal referral to the Milwaukee County district attorney's office, said Graffin.

Graffin declined to say how much Cubbie would be paid, noting he does not yet have a written contract.

Although a sewerage district staff attorney already has cleared the agency of any wrongdoing, the district hired Cubbic to reinvestigate using "a fresh set of eyes," Graffin said.

Rick Norris, the founder of the Norris firm, complained in letters to the district of being required to pay the \$600 to Kelscy Potts, a family friend of Shaleta Dunn's, MMSD's minority contract compliance officer.

"We do not have any work for Kelsey," Norris wrote in an Aug. 18 e-mail memo to Dunn. Norris said he paid Potts, however, because Dunn allegedly threatened to delay payments owed Norris under its \$330,000 contract to help the district monitor its minority contractor program.

But Graffin said Thursday that Dunn did not know Potts until Norris sent him to MMSD last summer to help Dunn prepare a quarterly report to the state on MMSD's minority contracts. Norris has said that the work did not relate to his contract with MMSD.

Norris also alleged Dunn required him to pay another subcontractor \$2,500 to develop a Web site and bill it under his contract with the district, even though that work also did not relate to the Norris contract.

Norris declined to comment Thursday. A former MMSD engineer now in private practice, Norris also has three other ongoing contracts with MMSD worth \$1.4 million.

Trina Dennis, a local attorney who worked as a subcontractor on Norris' MMSD contract, called Graffin's assertion "ridiculous" and said that it was Norris and not Dunn who had recruited Potts.

Norris' contract to monitor MMSD's minority contracting program was suspended earlier this month, pending the outcome of

JS Online: MMSD hires an investigat	IS	Online:	<b>MMSD</b>	hires an	investigato
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Page 2 of 2

the district investigation.

From the Dec. 22, 2003 editions of the Milwaukee Journal Sentinel



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# Commissioner accuses MMSD of unfair project spending

#### Awards are far more than amount advertised

By MARIE ROHDE mrohde@journalsentinel.com

Posted: Jan. 23, 2004

A suburban commissioner is complaining that the sewerage district is unfairly giving Milwaukee and several private companies about \$1 million to pay for "demonstration projects" designed to keep clean water out of the sewers.

Robert Brunner, a commissioner from River Hills, noted that the Milwaukee Metropolitan Sewerage District had advertised that only \$233,000 was in the district's budget when it solicited projects for this year. More projects may have been proposed if the district had been straight with how much money was available, he said.

Brunner, the River Hills village president, also said that if the district has extra money lying around, it would be better used by giving relief to taxpayers next year.

"This is a day when local governments have had their feet held to the fire on property taxes," Brunner said. Sewerage district "rates are going to go up again next year, and it might be better to use any extra money to offset the increase."

The 11-member board of commissioners that oversees the sewerage district is scheduled to vote Monday on spending \$913,780 on five projects.

Brunner said he would ask fellow commissioners to hold the district to the original \$233,000 - the amount the commission approved in this year's budget.

Michael Martin, the district's director of technical services, said the budget also contained \$750,000 in a contingency fund to be used for unplanned opportunities that come up during the year.

"It's a standard practice," Martin said of the centingency fund.

Kevin Shafer, the district's executive director, said this is the third year the district has given money to Stormwater Best Management Practices Partnership Demonstration Projects. He denied that the district had engaged in a bait-and-switch testic

"We didn't know we were going to get such high quality proposals," Shafer said. "These are very good projects for the entire area."

In addition to the five projects, 11 other proposals were received. The total cost of all the projects was \$1.7 million, Martin said.

One project that the district wants to fund - a Milwaukee Department of Public Works plan to create a 3-acre retention area in the Menomonee Valley - will cost the district \$682,500, more than twice the total the district had said was available. Milwaukee will spend a matching amount on the project. Essentially, the project involves plants that will remove pollutants from storm water runoff and prevent some of it from getting into the sewers during storms.

"This is not a demonstration project," Brunner said. "The cost is so great that it crowds out everything else."

The top two projects will be done for Miller Brewing and We Energies. Miller will get \$131,080 for a rain garden and creation of a swale; We Energies will get \$31,500 for a green roof. In both cases, the companies will spend matching amounts on the projects and get part of the tax dollars from the district in 2004 and remainder in 2005.

"Why does the district have to grant, at taxpayer expense, 50 percent of the total cost of projects for two of Wisconsin's largest corporations?" Brunner asked.

Brunner noted that the district spent \$69,360 to install a green roof atop its own headquarters last year. He questioned the value of a similar project for We Energies.

Shafer said there are different kinds of green roofs - those with plants designed to absorb and hold rainwater and those that are decorative - and different roofs need different designs.

The other two projects the district wants to fund are the Walnut Way Conservation District, a not-for-profit neighborhood association, at a cost of \$44,000, 71% of the total cost; and \$24,700, or 20% of the cost of a storm water management project for a Milwaukee residential development being done by Tetra Tech, a private firm.

Brunner said awards should not exceed \$100,000 and should not be more than 25% of a project's total cost.

From the Jan. 24, 2004 editions of the Milwaukee Journal Sentinel

#### MICHAEL S. D'AMATO

ALDERMAN, 3RD DISTRICT





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LIBRARY SYSTEM BOARD
HISTORIC PRESERVATION COMMISSION

**To:** Senate Committee on Homeland Security, Veterans and Military Affairs and Government Reform

From: Alderman Michael D'Amato, City of Milwaukee

Date: 01/29/04

Re: Senate Bill 352

Senate Bill 352 is a misguided attempt to capitalize on the findings of poorly conducted "studies" and changes in the political climate to transfer control of Metropolitan Milwaukee Sewerage District (MMSD) to the suburbs. There is no policy justification for changing the governance of the district, and doing so jeopardizes existing policies that serve the public's best interest.

The current governance of MMSD ensures equal representation based on population. Residents of the City of Milwaukee represent over 7 of every 11 residents in the district, and the City has 7 appointments on the 11-member board. Under the bills proposal, it is easy to envision a gerrymandered patchwork of districts in which Milwaukee residents are no longer adequately represented. Reversing a system based on equal representation is a high price to pay for a bill that does not achieve any offsetting benefits.

Furthermore, the bill will undoubtedly resurrect efforts from suburban officials to reverse the current payment structure in favor of a more regressive one that concentrates the cost on the poorest residents in the district. The current structure resulted as a compromise after years of acrimonious debate between the suburbs and city.

Even those who have been critics of the MMSD concede that changing the governance structure will not address their concerns. A September 8, 2003, Milwaukee Journal Sentinel Editorial not only criticizes the poor methodology of a Wisconsin Policy Research Institute study that made claims of problems with the district, but also questions its recommendation to change the governance structure. "[The study] doesn't show how the current governance structure contributed to those problems or how changing the governance structure would solve them"

No valid argument can be made for why changing the governance structure will result in better policy that outweighs the significant costs imposed by this bill. Therefore, I urge you to oppose Senate Bill 352, which will disenfranchise the citizens of Milwaukee.



January 29, 2004

Committee on Homeland Security Veterans and Military Affairs and Government Reform

Senators Reynolds and Schultz Representatives Grothman, Nass and Hahn

> RE: Public Hearing and Executive Session Senate Bill 352 1:00 P.M. - 300 Southeast

Gentlemen:

Good Afternoon. My name is Stanley L. Zurawski, Sr. I live at 1930 N. 118th Street in the City of Wauwatosa, Wisconsin.

For 35 years, I was in charge of 100's of millions of dollars of sewer and water projects in Southeastern Wisconsin. Prior to that, I was involved in the design and layout of public works projects for a period of 10 years.

I observed the operations of the "Metropolitan Sewer Commission" during all those years, from the time of Commissioner Abe Schlensky to that of Commissioner Don Weiland. The Commission was professionally managed and operated during those years, and was actually engaged in a program of separating the combined sewer system.

Along with the formation of the "MMSD" to replace the "Metropolitan Sewerage Commission", came all forms of corruption. Rather than concentrating on the treatment of sewage, the MMSD's agenda changed dramatically to satisfy the demands of the politicians. Battles with the "Flow" communities brought the users of the system unfair taxation and unfair representation.

M.M.S.D. has mismanaged the treatment of sewage, as they pursued their political agenda to engage in corporate welfare, no-bid contracts, cost overruns, public relations propaganda, lobbyists, etc.

The M.M.S.D. is polluting our precious supply of fresh water. W.D.N.R., the so called guardian and protector of our natural resources, must be in bed with the M.M.S.D., because the W.D.N.R. has supported the dumping of partially treated raw sewage into our fresh water supply. The W.D.N.R. is more concerned with minor erosion control violations, and the imposition of excessive monetary citations, than the ungoing pollution of the world's largest supply of fresh water by the M.M.S.D.

Corruption breeds corruption, and the governance of the M.M.S.D. and the W.D.N.R. must be changed!

It is only fair that the users of the M.M.S.D. system, on whom sewer taxation is imposed, have a voice in how those tax dollars are spent, and how the system is managed.

You have it in your power, by your action, to "Save Our Water Supply."

Thank you for your attention to this letter.

Sincerely,

Stanley L. Zdrawski, Sr.